


INSTRUCTIONS FOR LISTING CAPITAL ITEMS

Generally, the unit cost for capitalizing budget items in IDEA grants is \$5000 or more. However, if a school district or other grantee agency establishes a lower threshold for capitalizing items, then that threshold must be used when preparing IDEA budgets. An item that meets an agency’s threshold for capitalizing must be budgeted under capital objects. All items budgeted under capital objects require a detailed description. Budgets that include items under capital objects, but do not include detailed item descriptions will be disapproved.

Site Rental

Detailed descriptions for renting facilities must include the purpose for which the facility will be used.




Capital Object	WUFAR-Description	Local WUFAR Code	Estimated Cost	Action
Site Rental for LEA Use (limited)	255400-Rental		\$15,000	Edit
Off-site alternative program for EBD				
Total:			\$15,000	

Materials

Many grantees have a practice of capitalizing items with a unit cost of \$300 or more, based on guidance provided in the Wisconsin Uniform Financial Accounting Requirements (WUFAR) manual. Previously, these grantees were forced to budget materials and supplies meeting their agency’s lower capitalization threshold under “equipment,” the best available option in the IDEA budget software. To address this issue, the item “materials” has been added in the capital objects section of the IDEA budgets. Materials are expendable items with a useful life of one year or less. Budget items identified as materials require a description, e.g., “test kits”, but not the number of units.

Equipment

“Equipment” is a nonexpendable item with a useful life of more than one year, e.g., furniture, SMART boards, FM systems, computers. Detailed descriptions of equipment must include the equipment type and the number of units. Budgets that include equipment, but do not include both the type and number of units will be disapproved.



Capital Object	WUFAR-Description	Local WUFAR Code	Estimated Cost	Action
Equipment	156100-Hearing Impairment and Deaf Blind		\$5,000	Edit
FM System, 1, assistive technology				
Total:			\$5,000	

DPI Steps for Reviewing Equipment in Capital Objects

- 1) Review the items in capital objects (500s)
- 2) If the grantee has not included proper detailed descriptions in the capital objects section, the budget must be disapproved.
- 3) Using the list below, determine whether a follow-up assurance is required for a budget item.
- 4) If an assurance is required, request the appropriate assurance from the budget contact via e-mail. Withhold approval of the budget.

- 5) When an e-mail response is received from the budget contact, paste the message with the required assurance into the budget notes page. Be sure the entry identifies who has provided the required assurance by name and title.
- 6) If a grantee does not respond to a request for an assurance within two weeks, disapprove the budget.

Types of Capital Objects	E-mail assurance required from district
BUS or VEHICLE PURCHASE, LEASE or RENTAL	<i>This vehicle will only be used to transport children with disabilities who require special assistance in transportation, including children with disabilities attending regular classes who require special or additional transportation. This vehicle will not be used for any other purpose, even if not in use for special education transportation (e.g. co-curricular activities that take place outside of the school day).</i>
COMPUTERS - STUDENTS	<i>These computers are an excess cost because they are related to the unique needs of a child or children with a disability.</i>
COMPUTERS - STAFF	<i>These computers are for the purposes of special education and related services.</i>
FURNITURE	<i>The furniture will be used in a space dedicated to a special education program, such as a resource room. If the furniture will be used in a general education classroom, the furniture is adapted to the specific needs of a child with a disability (e.g., a wheelchair accessible desk, adjustable tables and workstations).</i>
OFFICE EQUIPMENT - STAFF	<i>The office equipment is for the purposes of special education and related services.</i>
PLAYGROUND EQUIPMENT	<i>The costs associated with the playground equipment are due to the additional costs of making the playground accessible to children with disabilities.</i>
SECURITY EQUIPMENT (security cameras, alarms)	<i>The costs associated with security equipment are an excess cost because they are related to the unique needs of a child or children with a disability.</i>
SMART BOARDS	<i>These SMART Boards are an excess cost because they are related to the unique needs of a child or children with a disability in accordance with an IEP.</i>